

AHC MEDIA STATEMENT

12 May 2026

Australian Hydrogen Council statement on Hydrogen Headstart announcement

Melbourne, Australia: The Australian Hydrogen Council (AHC) acknowledges today's announcement regarding the next phase of Hydrogen Headstart and the Government's broader fuel and fertiliser security measures.

AHC CEO Dr Fiona Simon said Australia was entering a more selective and commercially disciplined phase of hydrogen and industrial decarbonisation policy, and that the transition would need to be managed carefully.

"In only a few years, our understanding of what is required has become more practical and more specific," Dr Simon said.

"It is right that policy now looks not only at production, but at the fuels, fertilisers, chemicals and industrial products Australia needs, and the value government places on producing them here. But many of those products depend on hydrogen as a core industrial input. If we move away from hydrogen policy without recognising that connection, we risk undermining the very outcomes we are trying to achieve.

"These are long-term industrial investment decisions, often made by international boards assessing Australia against other jurisdictions. If policy settings shift without clear and coordinated alternative pathways for investment, it inevitably affects investor confidence."

Dr Simon said Australia had a significant opportunity to build sovereign capability and reduce emissions at the same time.

"That includes retaining and decarbonising existing industry, as well as supporting new investments in areas such as ammonia, urea, methanol and green iron," she said.

"These projects are not simply hydrogen projects. They are major industrial, export and sovereign capability projects tied to the future competitiveness of Australian manufacturing, resources and processing industries.

"The Hydrogen Production Tax Incentive remains an important part of the long-term policy architecture, but production tax credits require projects to first reach production. We still need to support first-of-a-kind projects through the earlier stages of development, construction and market formation," Dr Simon said.

"As hydrogen policy becomes more integrated with broader industrial, fuel security and sovereign capability objectives, other mechanisms will need to step up. This includes the National Reconstruction Fund's Net Zero Fund, the fuel and fertiliser security facility, demand-side measures, taxation settings, infrastructure support and other strategic industrial funding and financing facilities.

"The task now is to ensure these measures work together coherently so Australia can keep capability onshore, support new investment and build the fuels, fertilisers and industrial inputs it will need for the future."

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About Australian Hydrogen Council

The Australian Hydrogen Council is the peak representative body for the Australian hydrogen industry, with members from across the hydrogen value chain. Read more at www.h2council.com.au.

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